

# SIKKIM GOVERNMENT GAZETTE

**EXTRAORDINARY  
PUBLISHED BY AUTHORITY**

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<b>Gangtok</b>	<b>Wednesday 18<sup>th</sup> March, 2015</b>	<b>No. 92</b>
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**SIKKIM STATE ELECTRICITY REGULATORY COMMISSION (SSERC),  
GANGTOK- 737102**

## NOTIFICATION

**No. 14/SSERC/MYT/AMDT/2015**

**Dated: 16<sup>th</sup> February, 2015**

In exercise of the powers conferred under Section 181 read with Sections 45 (2), 61 and 62 (4) of the Electricity Act, 2003 (36 of 2003) and Regulation 78.2 of SSERC (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Frame Work) Regulations 2013 and all powers enabling in this behalf, the Sikkim State Electricity Regulatory Commission hereby makes the following Regulations to amend the Sikkim State Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2013, namely:-

1. Short title and commencement- (1) These Regulations may called the Sikkim State Electricity Regulatory Commission (Multi Year Tariff) (First Amendment) Regulations, 2015.  
(2) These Regulations shall come into force with effect from the date of their publication in the Official Gazette.
2. Amendment to Regulation 68.1.6: For the existing Regulation 68.1.6 of the Sikkim State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Frame Work) Regulations, 2013 the following may be substituted:

“ 68.1.6 Periodicity of Tariff determination and revision thereof: No Tariff or may part thereof shall ordinarily be amended more frequently than one in any financial year, except in respect of any changes expressly permitted by the Commission in accordance with the following Fuel and Power Purchase Cost Adjustment formula:

### FORMULA FOR FUEL AND POWER PURCHASE COST ADJUSTMENT

The Fuel and Power Purchase Cost Adjustment (FPPCA) formula is given below:

$$\text{FPPCA} = \frac{Q_c (RC_2 - RC_1) + Q_o (RO_2 - RO_1) + Q_{pp} (R_{pp2} - R_{pp1}) + V_z + A}{(QP_{g1} + Q_{pp1} + Q_{pp2})} \times \left[ 1 - \frac{L}{100} \right] \times 100$$

(Ps. /kWh)

Where,

$Q_c$  = Quantity of coal consumed during the adjustment period in Metric Tons (MT).

$$= (SHR \times Q_{pg}) (1+TSL) \times 1000/GCV, \text{ or actual whichever is less.}$$

$R_{c1}$  = Weighted average base rate of coal supplied ex-power station coal yard as approved by the Commission for the adjustment period in Rs. /MT

$R_{c2}$  = Weighted average base rated of coal supplied ex-power station coal yard for the adjustment period in Rs./MT

$Q_o$  = Actual Quantity of oil (in KL) consumed during the adjustment period or normative oil consumption as per Tariff order whichever is less.

$R_{o1}$  = Weighted average base rated of oil ex-power station (Rs. / KL) approved by the Commission for the adjustment period.

$R_{o2}$  = Weighted average actual rate of oil ex-power station supplied (Rs./ KL) during the adjustment period.

$Q_{pp}$  = Total power purchased from different sources (kWh) =  $Q_{pp2} + Q_{pp3}$

$$Q_{pp1} = Q_{pp3} \left[ \frac{1 - TL}{100} \right] \text{ in kWh}$$

TL = Transmission loss (CTU) (in percentage terms).

$Q_{pp2}$  = Power Purchase from sources with delivery point within the state transmission or distribution system (in kWh)

$Q_{pp3}$  = Power Purchase from sources on which CTU transmission loss is applicable (in kWh)

$R_{pp1}$  = Average rate of Power Purchase as approved by the Commission (Rs./kWh)

$R_{pp2}$  = Average rate of Power Purchase as approved by the Commission (Rs./kWh)

$Q_{pg}$  = Own power generation (kWh)

$Q_{pg1}$  = Own Power generation (kWh) at generator terminal – approved auxiliary Consumption

L = Percentage T&D loss as approved by the Commission or actual, whichever is lower.

SHR = Station Heat Rate as approved by the Commission (Kcal/kWh)

TSL = Percentage Coal Transit and Stacking Loss as approved by the Commission

GCV = Weighted average gross calorific value of coal as fired basis during the adjustment period (Kcal/ Kg)

$V_z$  = Amount of variable charges on account of change of cost of unknown factors like water charges, taxes or any other unpredictable and unknown factors not envisaged at the time of Tariff fixation subject to prior approval of the Commission (Rs.)

A = Adjustment, if any, to be made in the current period to account for any excess/ shortfall in recovery of fuel of Power Purchase cost in the past adjustment period, subject to the approval of the Commission (Rs.)

**Note: The distribution Licensee shall**

- (a) Pass on adjustments, due to changes in the cost of power generation and power procured due to changes in fuel cost, through the Fuel and Power Purchase Cost Adjustment Cost (FPPCA) formula, as specified above.
- (b) The FPPCA charge shall be applicable on the entire sale of Power excluding the power utilized for BPL and Agriculture.
- (c) The FPPCA charge shall be computed and charged on the basis of actual variation in fuel costs relating to power procured during any month subsequent to such costs being incurred.
- (d) The Distribution Licensee shall submit details in the stipulated format to the Commission on a quarterly basis for the FPPCA charged and, for this purpose, shall submit such details of the FPPCA incurred and the FPPCA charged to all consumers for each month in such quarter, along with the detailed computations and supporting documents as may be required for verification by the Commission:

Provided that where the FPPCA is being charged for the first time subsequent to the notification of these Regulations, the Distribution Licensee shall obtain the approval of the Commission prior to levying the FPPCA.

Provided further that the FPPCA applicable to each tariff category of consumers shall be displayed prominently at the cash collection centre and on the internet website of the Distribution Licensee:

Provided that the Distribution Licensee shall put up on its internet website such details of the FPPCA incurred and the FPPCA charged to all consumers for each month along with detailed computations.

- (e) The monthly FPPCA charge shall not exceed 10% of the variable component of tariff, or such other ceiling as may be stipulated by the Commission from time to time.

Provide that any excess in the FPPCA over the above ceiling shall be carried forward by the Distribution Licensee and shall be recovered over such future period as may be directed by the Commission.

- (f) The FPPCA charge shall be allowed only in respect of approved power purchase of the Distribution Licensee.
- (g) The total FPPCA recoverable, as per the formula specified above, shall be recovered from the actual sales in " Rupees per kilowatt-hour" terms:

Provided that in case of unmetered consumers, FPPCA shall be recoverable based on estimated sales to such consumers, calculated in accordance with such methodology as may be stipulated by the Commission:

Gangtok  
16<sup>th</sup> February, 2015-02-16

(S.K Pradhan)  
Secretary,